

## **REMARKS**

### **Introduction:**

Claims 1-12 are pending and under consideration.

### **Rejection Under 35 U.S.C. §112:**

In the Office Action, at page 2, item 2, the Examiner rejected claims 1-12 under 35 U.S.C. §112, first paragraph, for the reasons set forth therein. The reasons for the rejection are set forth in the Office Action and therefore not repeated. Applicant traverses this rejection and respectfully requests reconsideration.

In the Rule 132 Declaration submitted March 18, 2004, Applicant asserted that if provided with the information provided in the subject application, particularly the potential materials of which the encoder is made (The elastic material is made of a material containing rubber as a base material, for example, a heat resistant nitrile rubber, acrylic rubber or fluorine containing rubber, mixed with a powder of magnetic material. For the powder of magnetic material, ferrite may be employed.), and the resulting properties of the encoder (under a thermal endurance test condition in which the magnetized encoder is subjected to 1,000 thermal cycles each consisting of heating at 120°C for one hour followed by cooling at -40°C for one hour, the magnetized encoder retains the following initial magnetic characteristics when measured at a point 2.0 mm distant from a magnetic sensor: Single pitch deviation:  $\pm 2\%$  or less and Magnetic flux density:  $\pm 3$  mT or higher.), one of ordinary skill in the art would be able to achieve an encoder having a mixing ratio of approximately 85-90% wt% magnetic material, and 10-15% wt% elastic member without undue experimentation, as evidenced by the submitted translation of the handbook, "Knack of Selecting Magnetic Material" (hereinafter the Handbook).

The Examiner disagreed, stating that the argument was not persuasive because "the submitted partial translation...of the above noted handbook does not appear to be directed to a wheel bearing assembly, or an encoder having a series of magnetic poles of opposite polarities."

The partial translation of the above noted handbook is directed to bonded magnets.

The subject application, in discussing prior art, notes Japanese Laid-open Patent Publication No. 6-281018 (which was submitted in an IDS and considered by the Examiner on January 30, 2003), which discloses a magnetized encoder for a wheel bearing assembly prepared from a bonded magnet in which poles of opposite polarities are formed alternately in a direction circumferentially thereof. (See Subject Application, at page 1, lines 24-29).

Thus, Applicant respectfully submits that if supplied with the information disclosed in the subject application, particularly the potential materials of which the encoder is made, and the resulting properties of the encoder, one of ordinary skill in the art would have been able to achieve an encoder for a rotary member of a wheel bearing assembly having a mixing ratio of approximately 85-90% wt% magnetic material, and 10-15% wt% elastic member without undue experimentation.

Rejection Under 35 U.S.C. §103(a):

In the alternative, in the Office Action, at page 4, item 4, the Examiner rejected claims 1-12 under 35 U.S.C. §103 (a), first paragraph as being unpatentable over Alff (U.S. Patent No. 5,622,437 – hereinafter Alff) in view of applicant's admitted prior art submission based on the Handbook. The reasons for the rejection are set forth in the Office Action and therefore not repeated. Applicant traverses this rejection and respectfully requests reconsideration.

The Examiner, both in the §103 rejection and in the Response to Arguments on page 6 of the Office Action, misstates Applicant's assertion in the Rule 132 Declaration noted above. Applicant does not state that because of the above-noted Handbook, one of ordinary skill in the art would be able to achieve the claimed invention. Instead, Applicant states that if given the disclosure of the subject application, one of ordinary skill in the art would be able to practice the claimed invention.

But the fact that one of ordinary skill in the art would be capable of practicing the invention given the disclosure of the subject application does not mean that one of ordinary skill in the art would have been able to do so without the disclosure of the subject application.

The present invention has unexpected advantages in that the specific properties can be obtained for the first time by the combination of a circumferentially magnetized member with the

specific mixing ratio of magnetic material and elastic material. Since Alff and the handbook are silent about such properties, it is apparent that the claimed invention is not a mere aggregation of Alff and the Handbook. That is, features of the claimed invention are missing from both the applied references of Alff and the Handbook.

Furthermore, a prima facie case of obviousness has not been properly established. To establish a prima facie case of obviousness there must be a suggestion or motivation to combine reference teachings and the combined references must teach or suggest all the claims limitations. MPEP §2142.

A prima facie obviousness rejection requires evidenced motivation from some reference in the record that would lead one skilled in the art to combine the relevant teachings of the references. See In re Fritch, 23 USPQ 2d 1780, 1783 (Fed. Cir. 1992).

The Examiner indicated that it would have been obvious to combine Alff with the Handbook based on a motivation that is not in the record. The Examiner states that the motivation would be to form a magnetic member having high dimensional precision. There is no indication that the encoder in Alff either possesses or lacks high dimensional precision. Further, there is no indication that the encoder in Alff either is or is not already within the range specified in the handbook. In other words, Alff is silent as to the disclosed encoder's dimensional precision and the range of magnetic material vs. elastic material. Thus there is no motivation to modify the encoder of Alff for the reasons stated by the Examiner.

Moreover, the Examiner simply uses the applicant's present invention as the recipe and the motivation for achieving the claimed encoder. This is improper hindsight analysis. As stated in the MPEP, "[t]he mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination." See MPEP 2143.01. There is simply no suggestion or motivation in Alff or the Handbook to construct such a combination.

As noted by the Patent and Trademark Office Board of Patent Appeals and Interferences, asserting that the proposed modification would have been "an obvious matter of engineering design choice well within the level of skill of one of ordinary skill in the art" is a

conclusion rather than a reason." See In re Garrett, 1986 Pat. App. LEXIS 8 (Bd. Pat. App. 1986).

Applicant respectfully submits that independent claims 1, 11, and 12 patentably distinguish over the cited art, and should be allowable for at least the above-mentioned reasons. Further, Applicant respectfully submits that claims 2-10, which ultimately depend from independent claim 1, should be allowable for at least the same reasons as claim 1, as well as for the additional features recited therein.

Conclusion:

In accordance with the foregoing, Applicant respectfully submits that all outstanding objections and rejections have been overcome and/or rendered moot, and further, that all pending claims patentably distinguish over the cited art. Thus, there being no further outstanding objections or rejections, the application is submitted as being in condition for allowance which action is earnestly solicited.

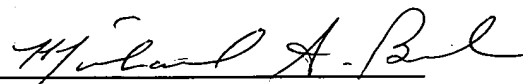
If the Examiner has any remaining issues to be addressed, it is believed that prosecution can be expedited and possibly concluded by the Examiner contacting the undersigned attorney for a telephone interview to discuss any such remaining issues.

If there are any underpayments or overpayments of fees associated with the filing of this Amendment, please charge and/or credit the same to our Deposit Account No. 19-3935.

Respectfully submitted,

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